

Media Release

Take smaller steps toward your big resolutions, says Perpetual

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It takes small steps to achieve big resolutions, but Australians are not doing enough to get their financial situation in order to realise their goals despite ranking this in the top three things they care about, according to recent research by Perpetual.

The research report, *'What do you care about?'*, surveyed 3,000 Australians and revealed they care most about their family (89%), health (72%), and their financial situation (71%). However, when it comes to planning for the future, most Australians tend to have a short-term view.

Less than a third (27%) of those surveyed set personal goals for savings and only (21%) have a regular investment plan or invest spare or unexpected funds. Just over half of Australians (57%) check their bank balance frequently and less than half (48%) avoid spending on things they don't need or purchase discounted items (43%).

Gary Lembit, Senior Manager Client Insights & Analytics at Perpetual, said the data revealed a disconnect between what Australians care about and whether they are proactively addressing that, particularly when it comes to money.

"This New Year, we are encouraging Australians to act on what they care about to make their dreams a reality. If you have a resolution around your finances, write down your goals and develop a plan with actionable steps to get you there.

"Put thought into your likely income and expenses over the long term, the value of the things you want and how much time and wealth you are willing to commit to achieving those things," said Mr Lembit.

Forward planning was found to be an issue for many Australians, with 56 per cent of those surveyed saying they do not spend enough time planning for their financial future.

This is likely due to a number of common hurdles to completing long-term plans. Over half of the respondents (55%) see money as a key barrier to achieving their plans, but also cited 'time' (34%) and 'work getting in the way' (13%) as additional obstacles.

"Time and money are the age-old challenges preventing people spending time on the things they care about, but with the right focus they are the fundamental factors to get us where we want to be," said Mr Lembit.

"It is beneficial to evaluate your life goals around important questions such as: how much will it cost to live in the area you want to? What level of education do you want to provide your kids? These are big milestones requiring significant investment, so thinking about life goals early is important. Planning how much you will need to accumulate to realise them is going to give you a tremendous amount of financial relief."

The research also found Australians who seek the help of a financial adviser are less likely to overlook ways to get ahead. They are nearly twice as likely to invest spare or unexpected funds and have a regular investment plan.

Mr Lembit notes a financial adviser can help you take control of your finances and give you peace of mind, as well as talk you through how to save and invest to meet your financial goals later in life.

"Talking to a financial adviser is one of the best things you can do when planning for your financial future, no matter your stage in life. There are many elements to a good financial plan – goals, strategies and products – but the most important element is the conversations a client has with their adviser."

Perpetual Private has developed a checklist to help people get their finances on track in the New Year;

- ☐ List and value ALL your assets – real estate, retirement savings, shares, vehicles, jewellery, etc.
- ☐ Develop a budget and track your expenses – there are a variety of apps available to help with this.
- ☐ Assign a monetary value to your key life goals – think about your house and location, family education, retirement plan, etc.
- ☐ Make additional contributions to your superannuation.
- ☐ List your debts – including mortgage, credit cards, loans, etc.
- ☐ Use additional or unexpected funds to pay down debts.
- ☐ Speak with a financial adviser about starting an investment plan.
- ☐ If you're approaching retirement, start thinking about estate planning and designate beneficiaries on your financial accounts.

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About Perpetual Private

Perpetual Private provides tailored, holistic financial advice and solutions for successful individuals, families and community-based organisations. Fordham, which is part of Perpetual Private, acts exclusively for private business owners and their families to manage their businesses and build and protect their wealth. Its hallmark is the breadth of services and expertise across multiple disciplines that we offer to clients to meet their often-complex wealth needs at various life stages, and across generations. We are also one of Australia's largest managers of philanthropic funds. For further information, go to www.perpetual.com.au